

PINE TELEPHONE SYSTEM, INC.

P. O. BOX 706 104 CENTER STREET

HALFWAY, OREGON 97834

(541) 742-2201 FAX (541) 742-4321

October 11, 2013

Electronic Filing

Ms. Marlene H. Dortch
Office of Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: WC Docket No. 10-90 & 11-42
Annual §54.313/54.422 Report of High-Cost and Low Income Recipient, Form 481

Dear Ms. Dortch:

Enclosed herein is the annual report for Pine Telephone System, Inc., Study Area Code 532392 pursuant to §54.313/54.422 of the Commission's rules.

Please contact me with any questions at:

Phone: 541-742-2201
Email: ronl@pinetel.com

Sincerely,


Ron L. Milford
President

Attachment

Copies to:

Universal Service Administrative Company
Electronic Filing
Washington, DC 20036

Public Utility Commission
Electronic Filing

Tribal government (as applicable)

FCC Form 481 - Carrier Annual Reporting Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
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<010> Study Area Code	532392
<015> Study Area Name	FINE TEL SYSTEM INC.
<020> Program Year	2014
<030> Contact Name: Person USAC should contact with questions about this data	Teena Thomas
<035> Contact Telephone Number: Number of the person identified in data line <030>	541-742-2201
<039> Contact Email Address: Email of the person identified in data line <030>	teenase@pinetel.com

ANNUAL REPORTING FOR ALL CARRIERS	54-313 Completion Required	54-422 Completion Required
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<100> Service Quality Improvement Reporting	(complete attached worksheet)	[check box when complete]
<200> Outage Reporting (voice)	(complete attached worksheet)	
<210> <input checked="" type="checkbox"/> <-- check box if no outages to report		
<300> Unfulfilled Service Requests (voice)	0	
<310> Detail on Attempts (voice)	(attach descriptive document)	
<320> Unfulfilled Service Requests (broadband)		
<330> Detail on Attempts (broadband)	(attach descriptive document)	
<400> Number of Complaints per 1,000 customers (voice)		
<410> Fixed	0.0010	
<420> Mobile		
<430> Number of Complaints per 1,000 customers (broadband)		
<440> Fixed		
<450> Mobile		
<500> Service Quality Standards & Consumer Protection Rules Compliance	(check to indicate certification)	
<510> 5323920R510	(attach descriptive document)	
<600> Functionality in Emergency Situations	(check to indicate certification)	
<610> 5323920R610	(attach descriptive document)	
<700> Company Price Offerings (voice)	(complete attached worksheet)	
<710> Company Price Offerings (broadband)	(complete attached worksheet)	
<800> Operating Companies and Affiliates	(complete attached worksheet)	
<900> Tribal Land Offerings (Y/N)? <input type="radio"/> <input checked="" type="radio"/>	(if yes, complete attached worksheet)	
<1000> Voice Services Rate Comparability	(check to indicate certification)	
<1010> <input type="radio"/> <input checked="" type="radio"/>	(attach descriptive document)	
<1100> Terrestrial Backhaul (Y/N)? <input checked="" type="radio"/> <input type="radio"/>	(if not, check to indicate certification)	
<1110>	(complete attached worksheet)	
<1200> Terms and Condition for Lifeline Customers	(complete attached worksheet)	

Price Cap Carriers, Proceed to Price Cap Additional Documentation Worksheet
 Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers

<2000>	(check to indicate certification)	
<2005>	(complete attached worksheet)	

Rate of Return Carriers, Proceed to ROR Additional Documentation Worksheet

<3000>	(check to indicate certification)	
<3005>	(complete attached worksheet)	

**(100) Service Quality Improvement Reporting
Data Collection Form**

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010> Study Area Code	532392
<015> Study Area Name	PINE TEL SYSTEM INC.
<020> Program Year	2014
<030> Contact Name - Person USAC should contact regarding this data	Teena Thomas
<035> Contact Telephone Number - Number of person identified in data line <030>	541-742-2201
<039> Contact Email Address - Email Address of person identified in data line <030>	teenasc@pinetel.com
<110> Has your company received its ETC certification from the FCC?	(yes / no) <input type="radio"/> <input checked="" type="radio"/>
If your answer to Line <110> is yes, do you have an existing §54.202(a) "5	
<111> year plan" filed with the FCC?	(yes / no) <input type="radio"/> <input type="radio"/>

If your answer to Line <111> is yes, then you are required to file a progress report, on line <112> delineating the status of your company's existing § 54.202(a) "5 year plan" on file with the FCC, as it relates to your provision of voice telephony service.

- <112> Attach Five-Year Service Quality Improvement Plan or, in subsequent years, your annual progress report filed pursuant to 47 C.F.R. § 54.313(a)(1). If your company is a CETC which only receives frozen support, your progress report is only required to address voice telephony service.

 Name of Attached Document (.pdf)

Please check these boxes below to confirm that the attached PDF, on line 112, contains a progress report on its five-year service quality improvement plan pursuant to § 54.202(a). The information shall be submitted at the wire center level or census block as appropriate.

- <113> Maps detailing progress towards meeting plan targets
 <114> Report how much universal service (USF) support was received
 <115> How (USF) was used to improve service quality
 <116> How (USF) was used to improve service coverage
 <117> How (USF) was used to improve service capacity
 <118> Provide an explanation of network improvement targets not met in the prior calendar year.

<input type="checkbox"/>
<input type="checkbox"/>
<input type="checkbox"/>
<input type="checkbox"/>
<input type="checkbox"/>
<input type="checkbox"/>

(200) Service Outage Reporting (Voice) FCC Form 481
Data Collection Form OMB Control No. 3060-0985/OMB Control No. 3060-0819
July 2013

<010> Study Area Code **532392**

<015>	Study Area Name	PINE TEL SYSTEM INC.
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<020>	Program Year	2014
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<030> Contact Name - Person USAC should contact regarding this date Teena Thomas

<035> Contact Telephone Number - Number of person identified in data line <030> 541-742-2201

<039> Contact Email Address - Email Address of person identified in data line <030> teenase@pinetel.com

[illegible]

OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

<010>	Study Area Code	532392
<015>	Study Area Name	PINK TEL SYSTEM INC.
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	Teena Thomas
<035>	Contact Telephone Number - Number of person identified in data line <030>	541-742-2201
<039>	Contact Email Address - Email Address of person identified in data line <030>	teenas@pinetel.com

[illegible]

(800) Operating Companies Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
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<010>	Study Area Code	532392
<015>	Study Area Name	PINE TEL SYSTEM INC.
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	Teena Thomas
<035>	Contact Telephone Number - Number of person identified in data line <030>	541-742-2201
<039>	Contact Email Address - Email Address of person identified in data line <030>	teenase@pinetal.com
<810>	Reporting Carrier	Pine Telephone System, Inc.
<811>	Holding Company	Pine Communications, LLC.
<812>	Operating Company	

[illegible]

**(900) Tribal Lands Reporting
Data Collection Form**

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	532392
<015>	Study Area Name	PINE TEL SYSTEM INC.
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	Teena Thomas
<035>	Contact Telephone Number - Number of person identified in data line <030>	541-742-2201
<039>	Contact Email Address - Email Address of person identified in data line <030>	teenase@pinetel.com

<910> Tribal Land(s) on which ETC Serves

<920> Tribal Government Engagement Obligation

Name of Attached Document (.pdf)

If your company serves Tribal lands, please select (Yes, No, NA) for each these boxes to confirm the status described on the attached PDF, on line 920, demonstrates coordination with the Tribal government pursuant to § 54.313(a)(9) includes:

- <921> Needs assessment and deployment planning with a focus on Tribal community anchor institutions;
- <922> Feasibility and sustainability planning;
- <923> Marketing services in a culturally sensitive manner;
- <924> Compliance with Rights of way processes
- <925> Compliance with Land Use permitting requirements
- <926> Compliance with Facilities Siting rules
- <927> Compliance with Environmental Review processes
- <928> Compliance with Cultural Preservation review processes
- <929> Compliance with Tribal Business and Licensing requirements.

Select (Yes, No, NA)

**(1100) No Terrestrial Backhaul Reporting
Data Collection Form**

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	532392
<015>	Study Area Name	PINE TEL SYSTEM INC.
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	Teena Thomas
<035>	Contact Telephone Number - Number of person identified in data line <030>	541-742-2201
<039>	Contact Email Address - Email Address of person identified in data line <030>	teenase@pinstel.com

Please check this box to confirm no terrestrial backhaul
<1120> options exist within the supported area pursuant to § 54.313(G) ☐

Please check this box to confirm the reporting carrier offers
<1130> broadband service of at least 1 Mbps downstream and 256 kbps
upstream within the supported area pursuant to § 54.313(G) ☐

(1200) Terms and Condition for Lifeline Customers
Lifeline
Data Collection Form

FCC Form 481
 OMB Control No. 3060-0986/OMB Control No. 3060-0819
 July 2013

<010>	Study Area Code	532392
<015>	Study Area Name	PINK TEL SYSTEM INC.
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	Tesna Thomas
<035>	Contact Telephone Number - Number of person identified in data line <030>	541-742-2201
<039>	Contact Email Address - Email Address of person identified in data line <030>	teenase@pinatel.com

<1210> Terms & Conditions of Voice Telephony Lifeline Plans

532392OR1210

Name of attached document (.pdf)

<1220> Link to Public Website

HTTP

"Please check these boxes below to confirm that the attached PDF, on line 1210, or the website listed, on line 1220, contains the required information pursuant to § 54.422(a)(2) annual reporting for ETCs receiving low-income support, carriers must annually report:

- <1221> Information describing the terms and conditions of any voice telephony service plans offered to Lifeline subscribers, ☒
- <1222> Details on the number of minutes provided as part of the plan, ☒
- <1223> Additional charges for toll calls, and rates for each such plan. ☒

(2000) Price Cap Carrier Additional Documentation

Data Collection Form

Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	512392
<015>	Study Area Name	PINE TEL SYSTEM INC.
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	Teena Thomas
<035>	Contact Telephone Number - Number of person identified in data line <030>	541-742-2201
<039>	Contact Email Address - Email Address of person identified in data line <030>	teenase@pinetel.com

CHECK the boxes below to note compliance as a recipient of Incremental Connect America Phase I support, frozen High Cost support, High Cost support to offset access charge reductions, and Connect America Phase II support as set forth in 47 CFR § 54.313(b),(c),(d),(e) the information reported on this form and in the documents attached below is accurate.

Incremental Connect America Phase I reporting		
<2010>	2nd Year Certification (47 CFR § 54.313(b)(1))	<input type="checkbox"/>
<2011>	3rd Year Certification (47 CFR § 54.313(b)(2))	<input type="checkbox"/>
Price Cap Carrier Receiving Frozen Support Certification (47 CFR § 54.312(a))		
<2012>	2013 Frozen Support Certification	<input type="checkbox"/>
<2013>	2014 Frozen Support Certification	<input type="checkbox"/>
<2014>	2015 Frozen Support Certification	<input type="checkbox"/>
<2015>	2016 and future Frozen Support Certification	<input type="checkbox"/>
Price Cap Carrier Connect America ICC Support (47 CFR § 54.313(d))		
<2016>	Certification Support Used to Build Broadband	<input type="checkbox"/>
Connect America Phase II Reporting (47 CFR § 54.313(e))		
<2017>	3rd year Broadband Service Certification	<input type="checkbox"/>
<2018>	5th year Broadband Service Certification	<input type="checkbox"/>
<2019>	Interim Progress Certification	<input type="checkbox"/>
<2020>	Please check the box to confirm that the attached PDF, on line 2021, contains the required information pursuant to § 54.313 (e)(3)(ii), as a recipient of CAF Phase II support shall provide the number, names, and addresses of community anchor institutions to which began providing access to broadband service in the preceding calendar year.	<input type="checkbox"/>
<2021>	Interim Progress Community Anchor Institutions	
	Name of Attached Document Listing Required Information	<input type="text"/>

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<039>	Contact Email Address - Email Address of person identified in data line <030>	teenae@pinetel.com

Progress Report on 5 Year Plan

- 10/11/2019

Certification - Reporting Carrier Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
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<010> Study Area Code	532392
<015> Study Area Name	PINE TEL SYSTEM INC.
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<039> Contact Email Address - Email Address of person identified in data line <030>	teenase@pinetel.com

TO BE COMPLETED BY THE REPORTING CARRIER, IF THE REPORTING CARRIER IS FILING ANNUAL REPORTING ON ITS OWN BEHALF:

Certification of Officer as to the Accuracy of the Data Reported for the Annual Reporting for CAF or LI Recipients	
I certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual reporting requirements for universal service support recipients; and, to the best of my knowledge, the information reported on this form and in any attachments is accurate.	
Name of Reporting Carrier:	PINE TEL SYSTEM INC.
Signature of Authorized Officer:	CERTIFIED ONLINE Date 10/11/2013
Printed name of Authorized Officer:	Ron Milford
Title or position of Authorized Officer:	President
Telephone number of Authorized Officer:	541-742-2201
Study Area Code of Reporting Carrier:	532392 Filing Due Date for this form: 10/15/2013
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

Certification - Agent / Carrier Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
---	--

<010> Study Area Code	532392
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<039> Contact Email Address - Email Address of person identified in data line <030>	teenase@pinetel.com

TO BE COMPLETED BY THE REPORTING CARRIER, IF AN AGENT IS FILING ANNUAL REPORTS ON THE CARRIER'S BEHALF:

Certification of Officer to Authorize an Agent to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier	
I certify that (Name of Agent) _____ is authorized to submit the information reported on behalf of the reporting carrier. I also certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual data reporting requirements provided to the authorized agent; and, to the best of my knowledge, the reports and data provided to the authorized agent is accurate.	
Name of Authorized Agent: _____	
Name of Reporting Carrier: _____	
Signature of Authorized Officer: _____	Date: _____
Printed name of Authorized Officer: _____	
Title or position of Authorized Officer: _____	
Telephone number of Authorized Officer: _____	
Study Area Code of Reporting Carrier: _____	Filing Due Date for this form: _____
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

TO BE COMPLETED BY THE AUTHORIZED AGENT:

Certification of Agent Authorized to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier	
I, as agent for the reporting carrier, certify that I am authorized to submit the annual reports for universal service support recipients on behalf of the reporting carrier; I have provided the data reported herein based on data provided by the reporting carrier; and, to the best of my knowledge, the information reported herein is accurate.	
Name of Reporting Carrier: _____	
Name of Authorized Agent or Employee of Agent: _____	
Signature of Authorized Agent or Employee of Agent: _____	Date: _____
Printed name of Authorized Agent or Employee of Agent: _____	
Title or position of Authorized Agent or Employee of Agent: _____	
Telephone number of Authorized Agent or Employee of Agent: _____	
Study Area Code of Reporting Carrier: _____	Filing Due Date for this form: _____
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

Attachments

**(800) Operating Companies
Data Collection Form**

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

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<039>	Contact Email Address - Email Address of person identified in data line <030>	teenase@pinetel.com

<810>	Reporting Carrier	Pine Telephone System, Inc.
<811>	Holding Company	Pine Communications, LLC.
<812>	Operating Company	

[illegible]

PINE TELEPHONE SYSTEM, INC.

P. O. BOX 706 104 CENTER STREET

HALFWAY, OREGON 97834

(541) 742-2201 FAX (541) 742-4321

54.313(a)(5) Satisfaction of Consumer Protection and Service Quality Standards

Consumer Protection

Pine Telephone System, Inc. complies with the requirements of 47 CFR Part 64 Subpart U, Customer Proprietary Network Information and the Federal Trade Commission Red Flag rules to prevent identity theft. A manual for each of those programs is in place and is part of the employees' handbook. Employee training is conducted annually and new hires are instructed on the programs as required by their job functions.

Service Quality Standards

Pine Telephone System, Inc. complies with the service standards of the State of Oregon as promulgated in the Oregon Administrative Rules 860-034-0390, Retail Telecommunications Service Standards for Small Telecommunications Utilities.

PINE TELEPHONE SYSTEM, INC.

P. O. BOX 706 104 CENTER STREET

HALFWAY, OREGON 97834

(541) 742-2201 FAX (541) 742-4321

54.313(a)(6) Ability to Remain Functional in Emergency Situations

Back-up Power

Pine Telephone System, Inc. has the following back-up power capabilities:

Switches – stand alone and/or host

Switch A-Halfway CO

30KW, 6 Cylinder Diesel, Onan Generator with 250 gallon tank capacity.
Expected run time on full tank: 125 hours. Battery Capacity, String A, 1 rack,
GNB ABSOLYTE, 1200 Ampere Hours, 8 hrs. to 1.75 VPC, String B, 1 rack,
GNB ABSOLYTE, 1200 Ampere Hours, 8 hrs. to 1.75 VPC, String C, 1 rack,
GNB ABSOLYTE, 1200 Ampere Hours, 8 hrs. to 1.75 VPC.

Switch B-Granite CO

Kohler 8.5 RMY, 8.5 KW Generator with 500 gallon propane tank capacity.
Expected run time on full tank: 250 hours. Battery Capacity, String A, 1 rack,
GNB ABSOLYTE, 1200 Ampere Hours, 8 hrs. to 1.75 VPC

Switch C-Three Rivers CO

80KW, 80KVA, 120/240 Volts, 333.3 Amps, Phase 1 PHA, 60 Hertz,
Propane, Generac Generator, 10 cylinder with a 500 gallon tank capacity.
Expected run time on full tank: 200 hours, 24 EXIDE batteries, 2000 Ah
At 8 hrs. to 1.75 VPC

Subscriber carrier (DLC, AFC, OPM, etc.)

Remote AFC Cabinets associated with Switch A

RST 1, West Dry Creek, 2 Battery strings, SBS 40, 12V-37 Ah.

Expected run time: 24 hrs.

RST 2, East Dry Creek, 2 Battery strings, SBS 40, 12V-37 Ah.

Expected run time: 24 hrs.

RST 3, Gulick, 2 Battery strings, SBS 40, 12V-37 Ah.

Expected run time: 24 hrs.

RST 4, East Pine, 2 Battery strings, SBS 40, 12V-37 Ah.

Expected run time: 24 hrs.

RST 5, Carson, 2 Battery strings, SBS 40, 12V-37 Ah.

Expected run time: 24 hrs.

Halfway Hill, 1 Battery string, SBS 40, 12V-37 Ah.

Expected run time: 24 hrs.

Jimtown Hut

Telstrat & Adtran

45KW, 4.2L, Propane, TWE Enterprises Generator with 500 gallon tank.
Expected run time on full tank; 250 hours. Battery Capacity, String A,
1 rack, TYCO, 2000 AH @ 8 hour rate to 1.75 VPC.

Oxbow Hut

AFC, Telstrat, Adtran & Fujitsu
18KW, 2.3L, Propane, 18RY 62 Kohler Generator with 500 gallon tank.
Expected run time on full tank; 250 hours. Battery Capacity, String A,
1 rack, GNB ABSOLYTE, 1200 Ampere Hours, 8 hrs. to 1.75 VPC.

Brownlee Hut

AFC, Adtran & Fujitsu
Battery Capacity, String A, 1 rack, GNB ABSOLYTE, 1200 Ampere Hours
Rated 8 hrs. to 1.75 VPC.

Eagle Bar Hut

AFC, Adtran
5000W, TWE50 GAK generator with a 125 gallon propane tank.
Expected run time on full tank: 100 hours.
Battery Capacity, String A, LS12-100, 100 Ah to 10.5 Volts.
Rated 8 hrs. to 1.75 VPC.

AFC remote Hells Canyon Park

2 Battery Strings, SBS 15, 12V 12.8 Ah

Remote AFC Cabinets associated with Switch B

RST 1, Deems Loop, 2 Battery strings, GNB. Expected run time: 24 hours

RST 2, Black Mountain, line powered from RST 3.

RST 3, Denny Creek, 2 Battery strings, GNB. Expected run time: 24 hours

RST 6, Olive Creek, line powered from the Granite CO.

RST 7, Lower Stices Gulch, 2 Battery strings, SBS 40, 12V-37 Ah
Expected run time: 24 hours.

RST 8, Upper Stices Gulch, 2 Battery strings, SBS 40, 12V-37 Ah
Expected run time: 24 hours.

Greenhorn Hut, RST 9

8000W, TWE80 GAK generator with two 250 gallon propane tanks.
Expected run time on full tank: 200 hours. Battery Capacity, String A,
1 rack, E31 SLD G, 97.6 Ah, String B, E31 SLD G, 97.6 Ah,
Solar Assist, 2 PV Modules, IF 150

North Hut – Three Rivers

60KW, 60 KVA, 120/240 Volt, Phase 1 PHA, Generac Generator, 500 gallon Propane tank, Expected run time on full tank: 48 hrs. Battery capacity, 2180Ah@ 8 hr to 1.75 VPC, Solar Assist, 240W, 29.3V rated voltage, Max system voltage 600V, 39 panels equal 9.36kW+/-.

Ability to reroute traffic around damaged facilities:

Pine Telephone System, Inc. has the following per Exchange:

Halfway Exchange

The Halfway Exchange has 72 DS1s (3 T1s) connected to Syringa for the purpose of inter and intra lata voice calls with CIC codes. Halfway also has a 110Mbps circuit to Syringa for Internet access services. A SONET ring protects the voice and Internet circuits between Halfway and the point of connection to Cambridge Telephone/Syringa at Brownlee. Syringa, over the Cambridge Telephone facilities, transports to Cambridge at which point the circuits are once more inserted into a SONET ring that carries the circuits to the Syringa tandem in Boise for connection to the world.

The Halfway Exchange also has 2 T1s connected to the Pendleton Tandem via CenturyLink for Intralata voice calls. At this point in time there is no protection for those circuits; however, Pine Telephone has been planning with Syringa and other local telephone companies about the possibility of creating a SONET ring in Eastern Oregon that would have provide full protection. The required investment in plant is pending funding.

Granite Exchange

The Granite Exchange has 2 T1s connected to the Pendleton Tandem via CenturyLink that provide inter and intra lata voice circuits for its customers. Granite also has 3 T1s directly connected to the Halfway central office that provides for Internet access bandwidth and special access. There is no protection at this point in time for those circuits; however, should the Eastern Oregon SONET ring be deployed in the future, then Granite will be in the ring.

Three Rivers Exchange

The Three Rivers Exchange has 3 T1s dedicated to inter and intra lata voice calls with CIC codes. These circuits terminate on the Syringa Tandem in Boise. The exchange also has 2 T1s dedicated to intra lata voice calls without CIC codes that terminate on the CenturyLink tandem in Redmond. Internet access circuits are shared with 10Mbps to Syringa and 10Mbps to Zayo Bandwidth.

At some point in the future a partial SONET ring is planned within the Three Rivers service area that will protect a cable cut.

Capability to manage traffic spikes resulting from emergency situations

The Halfway Exchange has 693 customers, switching capacity of 1000 simultaneous calls, and transport capacity for 120 simultaneous calls.

The Granite Exchange has 85 customers, switching capacity of 1000 simultaneous calls, and transport capacity for 48 simultaneous calls.

The Three Rivers Exchange has 27 customers, switching capacity of 1000 simultaneous calls, and transport capacity for 120 simultaneous calls.

Pine Telephone System, Inc.

LOCAL SERVICES*LOCAL ACCESS LINE RATESRATES

Trunks and one-party apply within the base rate area and supplementary base rate areas. Trunks and one-party can be provided in suburban areas for an additional charge (mileage). Following are the monthly rates for local access lines including certain CLASS features listed on sheet 302 and 302.1 and marked by an asterisk(*):

BUSINESS SERVICETouchtone

<u>Exchange Names</u>	<u>PBX Trunks</u>	<u>One- Party</u>	<u>Semi- Public</u>
Halfway/Oxbow	N/A	\$19.00	\$19.00
Granite	N/A	\$19.00	\$19.00
Three Rivers	N/A	\$19.00	\$19.00

RESIDENCE SERVICETouchtone

<u>Exchange Names</u>	<u>PBX Trunks</u>	<u>One- Party</u>
Halfway/Oxbow	N/A	\$14.00
Granite	N/A	\$14.00
Three Rivers	N/A	\$14.00

The above rates do not include the Service Assistance Program Surcharge.

* Subject to Oregon Telephone Assistance Program (OTAP) Credit

Description

- a. Pursuant to Chapter 290, Oregon Laws 1987, and Oregon Administrative Rule (OAR) Chapter 860, Division 33, the Oregon Telephone Assistance Program (OTAP) is the state counterpart to the federal Lifeline program and is governed by Federal Communication Commission 47 Code of Federal Regulations Subpart E, 54. This state and federal government assistance program provides qualifying low-income consumers with reduced monthly charges for any local residential service plan that includes voice telephony service. Eligible voice telephony services must provide voice grade access to the public switched network or its functional equivalent, access to emergency services and toll limitation services.
- b. Customers must meet the eligibility requirements for OTAP/Lifeline defined in OAR 860-033-0030.

Advice No. 1

Issued May 15, 2013 Effective July 1, 2013

Pine Telephone System, Inc.

LOCAL SERVICES

LOCAL ACCESS LINE RATES - Cont'd

OTAP (cont.)Terms and Conditions

Basic federal Lifeline support amount:	\$9.25
OTAP support amount:	\$3.50
TOTAL support amount:	\$12.75

- a. The basic federal Lifeline support amount is applied to the End User Common Line charges or equivalent. The remaining basic federal and OTAP support amount is applied to the qualifying low-income customer's intrastate rate.
- b. Billing will reflect that the OTAP/Lifeline credit became effective on the date specified by the Public Utility Commission of Oregon for each approved customer.
- c. Partial payments from OTAP/Lifeline customers are first applied to the allocated price of the voice telephony service component and then to toll charges or the cost of other services.
- d. OTAP/Lifeline customers may voluntarily elect toll limitation service at no charge. OTAP/Lifeline customers who subscribe to toll limitation service will not be required to pay a service deposit in order to initiate OTAP/Lifeline service.
- e. OTAP/Lifeline customers may not be charged the federal universal service fund fee or the monthly number-portability charge as part of their local residential service plan that includes voice telephony service.
- f. The Residential Service Protection Fund surcharge must be charged to OTAP/Lifeline customers.

CONDITIONS

Local service is provided through facilities owned and maintained according to the standards of the Company. The territory served is shown on maps filed with the Commission by the Company. This territory is referred to as an exchange.

The application of business or residence rates is determined by the actual or obvious use made of the service by the customer. Where only one access line is provided at a location which is both business and residence, the business rate will apply. Flat rate service will not be installed on premises of a public or semi-public character in a location where the telephone would be accessible for use by the patrons of the customer or by the public in general.

Local service rates include the line which provides access to the central office switching equipment. Customer premises equipment (CPE) is excluded, except that one telephone is included with semi-public service. Customer premises inside wire is excluded.

Advice No. 1

Issued May 15, 2013 Effective July 1, 2013

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Administrative Rules

Consumer Information

Electricity/Natural Gas

Hearings Division

Oregon Telephone

Assistance Programs

Safety

Telecommunications

Water

Board of Maritime Pilots**Home****Jobs at PUC****Oregon Lifeline (Oregon Telephone Assistance Program)**

The Oregon Public Utility Commission (PUC) manages the Oregon Lifeline program. If you qualify, this federal and state government assistance program reduces your monthly residential/landline or wireless phone bill by \$12.75.

[List of residential/landline and wireless companies that provide the Oregon Lifeline benefit](#)

How to Apply for Lifeline:**Using Online Application:**

Submit your application online if you or a member of your household participates in one of the following programs:

- Supplemental Nutrition Assistance Program; Food Stamps (SNAP)
- Temporary Assistance for Needy Families (TANF)
- Supplemental Security Income (SSI)
- State Medical Programs (at or below 135% of federal poverty guidelines)
- Medicaid

Using Printed Application:

Complete and send a printed application to our office with the current documentation if you or a member of your household participates in one of the following programs or meets the income requirements:

- National School Lunch Program; Free Lunch Program Only (NSLP)
- Low-Income Home Energy Assistance Program (LIHEAP)
- Federal Public Housing Assistance (Section 8)
- Total household income is at or below 135% of federal poverty guidelines

**Click Here to
Apply Online**

**Click Here to
Print Application**

[Aplicar en Español](#)

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[Nộp đơn bằng tiếng Việt](#)

[Contact Oregon Lifeline \(RSPF\)](#)

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PINE TELEPHONE SYSTEM, INC.

P. O. BOX 706 104 CENTER STREET

HALFWAY, OREGON 97834

(541) 742-2201 FAX (541) 742-4321

54.313 Lifeline customers MOU and additional toll charges

Lifeline subscribers receive the same residential service as a regular subscriber, but at a reduced monthly recurring rate. Thus, lifeline subscribers have an unlimited number of local calling minutes. As for toll, lifeline subscribers, similar to every Pine Telephone System, Inc. subscriber, are free to choose their own toll usage plans through IXC's that serve Pine Telephone System, Inc.

USDA-RUS OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	<i>This data will be used by RUS to review your financial situation. Your response is required by 7 U.S.C. 901 et seq. and, subject to federal laws and regulations regarding confidential information, will be treated as confidential.</i> BORROWER NAME Pine Telephone System, Inc. (Prepared with Audited Data)
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INSTRUCTIONS- Submit report to RUS within 30 days after close of the period. For detailed instructions, see RUS Bulletin 1744-2. Report in whole dollars only.	PERIOD ENDING December, 2012	BORROWER DESIGNATION OR0545
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CERTIFICATION

We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief.

ALL INSURANCE REQUIRED BY 7 CFR PART 1788, CHAPTER XVII, RUS, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES.

DURING THE PERIOD COVERED BY THIS REPORT PURSUANT TO PART 1788 OF 7CFR CHAPTER XVII
 (Check one of the following)

☒ All of the obligations under the RUS loan documents have been fulfilled in all material respects.

☐ There has been a default in the fulfillment of the obligations under the RUS loan documents. Said default(s) is/are specifically described in the Telecom Operating Report

RONNIE MILFORD

4/9/2013

DATE

PART A. BALANCE SHEET

ASSETS	BALANCE PRIOR YEAR	BALANCE END OF PERIOD	LIABILITIES AND STOCKHOLDERS' EQUITY	BALANCE PRIOR YEAR	BALANCE END OF PERIOD
CURRENT ASSETS			CURRENT LIABILITIES		
1. Cash and Equivalents	1,650,329	1,867,604	25. Accounts Payable	754,907	151,950
2. Cash-RUS Construction Fund	4,751	2,080	26. Notes Payable		
3. Affiliates:			27. Advance Billings and Payments		
a. Telecom, Accounts Receivable			28. Customer Deposits	1,705	1,523
b. Other Accounts Receivable			29. Current Mat. L/T Debt	1,474,000	1,678,000
c. Notes Receivable			30. Current Mat. L/T Debt-Rur. Dev.		
4. Non-Affiliates:			31. Current Mat.-Capital Leases		
a. Telecom, Accounts Receivable	480,045	712,693	32. Income Taxes Accrued	30	806
b. Other Accounts Receivable			33. Other Taxes Accrued		
c. Notes Receivable			34. Other Current Liabilities	49,372	40,677
5. Interest and Dividends Receivable			35. Total Current Liabilities (25 thru 34)	2,280,014	1,872,956
6. Material-Regulated	118,459	147,650	LONG-TERM DEBT		
7. Material-Nonregulated			36. Funded Debt-RUS Notes	19,902,793	19,568,633
8. Prepayments	81,349	60,769	37. Funded Debt-RTB Notes	1,356,173	1,141,062
9. Other Current Assets	12,395	8,420	38. Funded Debt-FFB Notes		
10. Total Current Assets (1 Thru 9)	2,347,328	2,799,216	39. Funded Debt-Other		
NONCURRENT ASSETS			40. Funded Debt-Rural Develop. Loan		
11. Investment in Affiliated Companies			41. Premium (Discount) on L/T Debt		
a. Rural Development			42. Recquired Debt		
b. Nonrural Development			43. Obligations Under Capital Lease		
12. Other Investments			44. Adv. From Affiliated Companies		
a. Rural Development			45. Other Long-Term Debt		
b. Nonrural Development	27,796	27,980	46. Total Long-Term Debt (36 thru 45)	21,258,966	20,709,695
13. Nonregulated Investments	37,395	32,059	OTHER LIAB. & DEF. CREDITS		
14. Other Noncurrent Assets			47. Other Long-Term Liabilities		
15. Deferred Charges			48. Other Deferred Credits	1,141,352	1,518,420
16. Jurisdictional Differences			49. Other Jurisdictional Differences		
17. Total Noncurrent Assets (11 thru 16)	65,191	60,039	50. Total Other Liabilities and Deferred Credits (47 thru 49)	1,141,352	1,518,420
PLANT, PROPERTY, AND EQUIPMENT			EQUITY		
18. Telecom, Plant-In-Service	37,803,706	39,732,462	51. Cap. Stock Outstand. & Subscribed	21,240	21,240
19. Property Held for Future Use			52. Additional Paid-in-Capital		
20. Plant Under Construction	540,089	386,917	53. Treasury Stock		
21. Plant Adj., Nonop. Plant & Goodwill			54. Membership and Cap. Certificates		
22. Less Accumulated Depreciation	13,054,532	15,257,891	55. Other Capital		
23. Net Plant (18 thru 21 less 22)	25,289,263	24,861,488	56. Patronage Capital Credits		
24. TOTAL ASSETS (10+17+23)			57. Retained Earnings or Margins	3,000,210	3,598,432
			58. Total Equity (51 thru 57)	3,021,450	3,619,672
			59. TOTAL LIABILITIES AND EQUITY (35+48+50+58)	27,701,782	27,720,743
	27,701,782	27,720,743			

Total Equity = 13.06% % of Total Assets

USDA-RUS		BORROWER DESIGNATION	
OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS		OR0545	
		PERIOD ENDING December, 2012	
INSTRUCTIONS- See RUS Bulletin 1744-2			
PART B. STATEMENTS OF INCOME AND RETAINED EARNINGS OR MARGINS			
ITEM		PRIOR YEAR	THIS YEAR
1. Local Network Services Revenues		137,609	148,878
2. Network Access Services Revenues		6,368,595	7,019,854
3. Long Distance Network Services Revenues			
4. Carrier Billing and Collection Revenues		83,406	60,707
5. Miscellaneous Revenues		1,981	61,216
6. Uncollectible Revenues		(554)	709
7. Net Operating Revenues (1 thru 6 less 6)		6,592,145	7,289,946
8. Plant Specific Operations Expense		961,281	1,202,191
9. Plant Nonspecific Operations Expense (Excluding Depreciation & Amortization)		89,552	72,585
10. Depreciation Expense		2,026,502	2,226,985
11. Amortization Expense			
12. Customer Operations Expense		198,938	221,534
13. Corporate Operations Expense		1,504,128	1,251,639
14. Total Operating Expenses (8 thru 13)		4,780,401	4,974,934
15. Operating Income or Margins (7 less 14)		1,811,744	2,315,012
16. Other Operating Income and Expenses			
17. State and Local Taxes		45,247	84,400
18. Federal Income Taxes		152,308	331,449
19. Other Taxes		249,352	301,800
20. Total Operating Taxes (17+18+19)		446,907	717,649
21. Net Operating Income or Margins (15+16-20)		1,364,837	1,597,363
22. Interest on Funded Debt		945,713	994,723
23. Interest Expense - Capital Leases			
24. Other Interest Expense		(52)	35
25. Allowance for Funds Used During Construction		78,508	39,765
26. Total Fixed Charges (22+23+24-25)		867,153	954,993
27. Nonoperating Net Income		(211,748)	(73,506)
28. Extraordinary Items			
29. Jurisdictional Differences			
30. Nonregulated Net Income		38,597	29,358
31. Total Net Income or Margins (21+27+28+29-26)		324,533	598,222
32. Total Taxes Based on Income			
33. Retained Earnings or Margins Beginning-of-Year		2,675,677	3,000,210
34. Miscellaneous Credits Year-to-Date			
35. Dividends Declared (Common)			
36. Dividends Declared (Preferred)			
37. Other Debits Year-to-Date			
38. Transfers to Patronage Capital			
39. Retained Earnings or Margins End-of-Period [(31+33+34) - (35+36+37+38)]		3,000,210	3,598,432
40. Patronage Capital Beginning-of-Year			
41. Transfers to Patronage Capital			
42. Patronage Capital Credits Retired			
43. Patronage Capital End-of-Year (40+41-42)		0	0
44. Annual Debt Service Payments		2,122,190	2,394,099
45. Cash Ratio [(14+20-10-11) / 7]		0.4855	0.4754
46. Operating Accrual Ratio [(14+20+26) / 7]		0.9245	0.9119
TIER [(31+26) / 26]		1.3743	1.6264
DSCR [(31+26+10+11) / 44]		1.5164	1.5790

USDA-RUS

OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS

INSTRUCTIONS - See RUS Bulletin 1744-2

BORROWER DESIGNATION

OR0545

PERIOD ENDED

December, 2012

Part C. SUBSCRIBER (ACCESS LINE), ROUTE MILE, & HIGH SPEED DATA INFORMATION

EXCHANGE	1. RATES		2. SUBSCRIBERS (ACCESS LINES)			3. ROUTE MILES	
	B-1 (a)	R-1 (b)	BUSINESS (a)	RESIDENTIAL (b)	TOTAL (c)	TOTAL (including fiber) (a)	FIBER (b)
Three Rivers (Culver)	17.00	12.00	0	20	20	28.45	3.10
Granite	17.00	12.00	9	77	86	127.74	43.21
Halfway / Oxbow	17.00	12.00	161	526	687	289.40	78.47
MobileWireless					0		
Route Mileage Outside Exchange Area						40.01	38.65
Total			170	623	793	486.50	163.43
No. Exchanges	3						

USDA-RUS

OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS

INSTRUCTIONS - See RUS Bulletin 1744-2

BORROWER DESIGNATION

OR0545

PERIOD ENDED

December, 2012

Part C. SUBSCRIBER (ACCESS LINE), ROUTE MILE, & HIGH SPEED DATA INFORMATION

4. BROADBAND SERVICE

Details on Least Expensive Broadband Service

EXCHANGE	No. Access Lines with BB available (a)	No Of Broadband Subscribers (b)	Number Of Subscribers (c)	Advertised Download Rate (Kbps) (d)	Advertised Upload Rate (Kbps) (e)	Price Per Month (f)	Standalone/Pckg (f)	Type Of Technology (g)
Three Rivers (Culver)	20	14	20	6,000	768	37.95	StandAlone	DSL
Granite	66	26	66	1,500	512	37.95	StandAlone	DSL
Halfway / Oxbow	667	378	667	6,000	768	37.95	StandAlone	DSL
Total	753	418						

USDA-RUS OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS			BORROWER DESIGNATION OR0545 PERIOD ENDING December, 2012		
INSTRUCTIONS- See RUS Bulletin 1744-2					
PART D. SYSTEM DATA					
1. No. Plant Employees	7	2. No. Other Employees	6	3. Square Miles Served	911
				4. Access Lines per Square Mile	.87
				5. Subscribers per Route Mile	1.63
PART E. TOLL DATA					
1. Study Area ID Code(s) a. 532392 b. _____ c. _____ d. _____ e. _____ f. _____ g. _____ h. _____ i. _____ j. _____		2. Types of Toll Settlements (Check one) <div style="display: flex; justify-content: space-between;"> <div> Interstate: <input type="checkbox"/> Average Schedule Intrastate: <input type="checkbox"/> Average Schedule </div> <div> <input checked="" type="checkbox"/> Cost Basis <input checked="" type="checkbox"/> Cost Basis </div> </div>			
PART F. FUNDS INVESTED IN PLANT DURING YEAR					
1. RUS, RTB, & FFB Loan Funds Expended					1,054,105
2. Other Long-Term Loan Funds Expended					
3. Funds Expended Under RUS Interim Approval					
4. Other Short-Term Loan Funds Expended					
5. General Funds Expended (Other than Interim)					895,866
6. Salvaged Materials					
7. Contribution in Aid to Construction					
8. Gross Additions to Telecom. Plant (1 thru 7)					1,949,971
PART G. INVESTMENTS IN AFFILIATED COMPANIES					
INVESTMENTS (a)	CURRENT YEAR DATA		CUMULATIVE DATA		
	Investment This Year	Income/Loss This Year	Cumulative Investment To Date	Cumulative Income/Loss To Date	Current Balance
	(b)	(c)	(d)	(e)	(f)
1. Investment in Affiliated Companies - Rural Development	1,000	8,643	9,643	(9,643)	0
2. Investment in Affiliated Companies - Nonrural Development					

USDA-RUS
**OPERATING REPORT FOR
 TELECOMMUNICATIONS BORROWERS**

BORROWER DESIGNATION

OR0545

PERIOD ENDING

December, 2012

PART H. CURRENT DEPRECIATION RATES

Are corporation's depreciation rates approved by the regulatory authority with jurisdiction over the provision of telephone services? (Check one)



YES



NO

EQUIPMENT CATEGORY	DEPRECIATION RATE
1. Land and support assets - Motor Vehicles	14.90%
2. Land and support assets - Aircraft	
3. Land and support assets - Special purpose vehicles	
4. Land and support assets - Garage and other work equipment	7.50%
5. Land and support assets - Buildings	6.10%
6. Land and support assets - Furniture and Office equipment	6.40%
7. Land and support assets - General purpose computers	15.00%
8. Central Office Switching - Digital	6.30%
9. Central Office Switching - Analog & Electro-mechanical	
10. Central Office Switching - Operator Systems	
11. Central Office Transmission - Radio Systems	10.60%
12. Central Office Transmission - Circuit equipment	10.60%
13. Information origination/termination - Station apparatus	
14. Information origination/termination - Customer premises wiring	
15. Information origination/termination - Large private branch exchanges	
16. Information origination/termination - Public telephone terminal equipment	
17. Information origination/termination - Other terminal equipment	
18. Cable and wire facilities - Poles	
19. Cable and wire facilities - Aerial cable - Metal	
20. Cable and wire facilities - Aerial cable - Fiber	
21. Cable and wire facilities - Underground cable - Metal	
22. Cable and wire facilities - Underground cable - Fiber	
23. Cable and wire facilities - Buried cable - Metal	6.30%
24. Cable and wire facilities - Buried cable - Fiber	4.80%
25. Cable and wire facilities - Conduit systems	2.00%
26. Cable and wire facilities - Other	

USDA-RUS		BORROWER DESIGNATION	
OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS		OR0545	
INSTRUCTIONS – See help in the online application.		PERIOD ENDED December, 2012	
PART I – STATEMENT OF CASH FLOWS			
1.	Beginning Cash (Cash and Equivalents plus RUS Construction Fund)	1,655,080	
CASH FLOWS FROM OPERATING ACTIVITIES			
2.	Net Income	598,222	
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities			
3.	Add: Depreciation	2,226,985	
4.	Add: Amortization	0	
5.	Other (Explain) Allowance for funds used during construction	(39,765)	
Changes in Operating Assets and Liabilities			
6.	Decrease/(Increase) in Accounts Receivable	(232,648)	
7.	Decrease/(Increase) in Materials and Inventory	(29,191)	
8.	Decrease/(Increase) in Prepayments and Deferred Charges	20,580	
9.	Decrease/(Increase) in Other Current Assets	3,975	
10.	Increase/(Decrease) in Accounts Payable	(602,957)	
11.	Increase/(Decrease) in Advance Billings & Payments	0	
12.	Increase/(Decrease) in Other Current Liabilities	(8,695)	
13.	Net Cash Provided/(Used) by Operations	1,936,506	
CASH FLOWS FROM FINANCING ACTIVITIES			
14.	Decrease/(Increase) in Notes Receivable	0	
15.	Increase/(Decrease) in Notes Payable	0	
16.	Increase/(Decrease) in Customer Deposits	(182)	
17.	Net Increase/(Decrease) in Long Term Debt (Including Current Maturities)	(345,271)	
18.	Increase/(Decrease) in Other Liabilities & Deferred Credits	377,068	
19.	Increase/(Decrease) in Capital Stock, Paid-In Capital, Membership and Capital Certificates & Other Capital	0	
20.	Less: Payment of Dividends	0	
21.	Less: Patronage Capital Credits Retired	0	
22.	Other (Explain) Change in Income Tax Payable	776	
23.	Net Cash Provided/(Used) by Financing Activities	32,391	
CASH FLOWS FROM INVESTING ACTIVITIES			
24.	Net Capital Expenditures (Property, Plant & Equipment)	(1,775,584)	
25.	Other Long-Term Investments	5,152	
26.	Other Noncurrent Assets & Jurisdictional Differences	0	
27.	Other (Explain) Equipment Retirements and Non-Reg Assets Change	16,139	
28.	Net Cash Provided/(Used) by Investing Activities	(1,754,293)	
29.	Net Increase/(Decrease) in Cash	214,604	
30.	Ending Cash	1,869,684	

Revision Date 2010

USDA-RUS	BORROWER DESIGNATION
OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	OR0545
INSTRUCTIONS - See RUS Bulletin 1744-2	PERIOD ENDED December, 2012
NOTES TO THE OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	
<p>NOTE: This submission was prepared from Pine Telephone System, Inc.'s December 31, 2012 audited financial statements.</p> <p>On July 1, 2012, the company formed PT Services, Inc., a wholly owned subsidiary, to accumulate nonregulated activity. Parts A, B, and I include the consolidated activity of Pine Telephone System, Inc. and its wholly-owned subsidiary. All material intercompany transactions and balances have been eliminated in the consolidation.</p> <p>Specifically, Part A, includes \$32,060 of net plant, \$12,880 of cash, and \$867 in current liabilities of that net to Pine Telephone's investment in PT Services. Part B includes \$2,371 of depreciation expense, \$2,243 of income taxes, and \$13,256 of nonregulated net income of PT Services. Part I includes the associated changes in cash flows of both companies.</p> <p>Please direct questions to Bruce S. Goslovich at (208) 550 - 7943 or bruce@goslovichfc.com.</p>	

USDA-RUS OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	BORROWER DESIGNATION OR0545
INSTRUCTIONS - See RUS Bulletin 1744-2	PERIOD ENDED December, 2012
CERTIFICATION LOAN DEFAULT NOTES TO THE OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	